

Exhibit I

Syncora Proposal

517211

STRICTLY PRIVILEGED PRIVATE AND CONFIDENTIAL
SUBJECT TO FRE 408
PRINTED OCTOBER 25, 2013 12:31 AM



DIP Term Sheet

October 25, 2013

Strictly confidential

1 DIP Term Sheet

Key Terms	
Borrower	■ City of Detroit ("Detroit")
Lenders	■ Syncora Capital Assurance Inc. ("SCAI") and other lenders, designated by SCAI
Commitment Amount	■ \$350 million DIP Term Loan Facility ("Term Loan")
Interest Rate	■ 1-month LIBOR + 230 basis points (cash pay). LIBOR at all times shall be deemed to be not less than 1.00% per annum
Maturity	■ Earlier of dismissal of the Bankruptcy case, confirmation of the Plan of Adjustment or 30 months, with an option to extend
Origination Fee	■ 1.25%
Collateral	■ First priority lien on the Pledged Wagering Tax Revenue ■ First priority lien on the Income Tax Revenue of Detroit with creation of a trust acceptable to the Lenders
Mandatory Redemption	■ Consistent with Barclays' Proposal

2 Key benefits to Detroit

The SCAI Proposal is superior to the Barclays' Proposal on numerous grounds:

Key Terms	SCAI's Proposal	Barclays' Proposal	Comments
Commitment Amount	■ \$350 million	■ \$350 million	■ Same
Interest Rate	■ 1-month LIBOR + 230 basis points (cash pay). LIBOR at all times shall be deemed to be not less than 1.00% per annum	■ 1-month LIBOR + 250 basis points (cash pay). LIBOR at all times shall be deemed to be not less than 1.00% per annum	■ SCAI's Proposal is 20 basis points lower
Maturity	■ Earlier of dismissal of the Bankruptcy case, the confirmation of the Plan of Adjustment or 30 months, with optional extension provision	■ Earlier of dismissal of the Bankruptcy case, confirmation of the Plan of Adjustment or 30 months	■ SCAI's Proposal includes an optional extension provision
Origination Fee	■ 1.25%	■ 1.25%	■ Same
Collateral	■ First priority lien on the Pledged Wagering Tax Revenue ■ First priority lien on the Income Tax Revenue of Detroit with a creation of a trust acceptable to the Lenders	■ First priority lien on the Pledged Wagering Tax Revenue ■ First priority lien on the Income Tax Revenue of Detroit ■ Asset Proceeds Collateral	■ Same
Mandatory Redemption	■ Consistent with Barclays' Proposal	■ The City shall utilize all net proceeds of the voluntary disposition or monetization of any City owned asset (the "Asset Proceeds Collateral") which generates net cash proceeds exceeding \$10 million to redeem the note	■ Same
Use of Funds	■ Subject to Detroit discretion	■ Proceeds from the Quality of Life Note to fund expenditures designed to contribute to the improvement of the quality of life in Detroit. Proceeds from the Swap Termination Note to pay amounts required under the Forbearance Agreement to terminate the underlying swaps as approved by the Bankruptcy Court	■ SCAI's Proposal provides for greater flexibility
Events of Default	■ Customary Events of Default provisions	■ An event of default is triggered if the City ceases to be under the control of an emergency manager for a period of thirty (30) days unless a Transition Advisory Board or consent agreement reasonably determined by the Purchaser to ensure continued financial responsibility shall have been established	■ SCAI's Proposal excludes such provision